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Report Highlights:

* Garment exports up on market diversification * Supermarket planning * Footwear and textile material center

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Ho Chi Minh City [VM2]
[VM]

Welcome to "News Summary" from Vietnam, an occasional summary of issues of interest to the U. S. agricultural community. The report includes information that has been garnered during travel within Vietnam, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included and summarized in this report. Significant issues may be expanded upon in subsequent reports from this office. Minor grammatical changes have been made for clarification.

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Garment exports up on market diversification

Vietnam's textile and garment industry saw export revenues increase 1.9 percent year-on-year to some \$2.6 billion in the first four months of the year, largely owing to efforts to diversify export markets at a time when worldwide demand has slumped.

While export to the two traditional markets (the United States and Europe), which used to occupy 70 percent of Vietnam's garment export, declined significantly in the first 4 months of 2009, exports to other nearby markets increased by over 30 percent, said Le Quoc An, chairman of the Vietnam Textile and Apparel Association.

Mr. An stressed that, while the consumption of expensive garment products was falling remarkably, the export of lower- and moderate-priced garments is gradually increasing, accounting for between 70-80 percent of the total export revenue.

(Source: Saigon Times, May.16)

Supermarket planning

Ho Chi Minh City will have 177 supermarkets by the year 2015, double the current number of 82.

The retail trade revenue in the first four months is over \$21 billion, up 21.5 percent year-on-year. According to the General Statistics Office, excluding inflation, the growth rate is 7.4 percent, lower than 10.1 percent of the same period last year.

(Source: Saigon Times, May.16)

Footwear and textile material center

Lien Anh Co., Ltd. in the southern province of Binh Duong, will open a Center of Materials for textile-garment and footwear production next week.

The large-scale center in Di An District, 25 km from Ho Chi Minh City, will serve as a wholesale market for footwear and apparel materials, easing the "over-reliance" of local garment makers on imported material.

It will include a wholesale market, a section of offices and showrooms, and a bonded warehouse.

(Source: Saigon Times, May.16)

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